Amdt. Dated October 14, 2003

Reply to Office Action dated July 15, 2003

Remarks/Arguments

Claims 1-21 are currently pending in the application. Claims 1, 7, 17 and 20 have been amended and the Examiner's entry of these amendments is respectfully requested. The Applicant submits that the instant Amendment simply clarifies that the dispute account and its value are indicative of the level of refund activity attributable to a postage meter. It is the Applicant's position that the specification clearly supports this interpretation of the term "dispute account" as reflected on page 7, line 16-page 8, line 4, where the dispute account tracks the actual dollar value of total refund requests and/or the number of times a refund request has been made. Thus, it is submitted that a reading of the specification by one skilled in the art could only lead to the conclusion that the dispute account is an account indicative of the level of refund activity attributable to the postage meter.

In view of the above, the Applicant submits that the Examiner should have given the term "dispute account" the above meaning even for the claims as originally filed. Thus, the Applicant submits that the instant Amendment is being made for clarification purposes only and does not add verbiage that requires additional search or examination time by the Examiner, thereby justifying entry of this Amendment.

Claims 1-21 stand rejected under 35 U.S.C. 112, second paragraph, as being indefinite. The Examiner's position is that the claims are indefinite because they do not identify how and from whom the postage refunds come. As previously stated, the Examiner is requiring the Applicant to narrow the claims unnecessarily. An Applicant is entitled to claim his invention as broad as possible. In the instant case, where the refund comes from is not important. Rather, it is the establishment of a dispute account that is indicative of the level of refund activity for a postage meter that distinguishes the invention over the prior art. By having this "dispute

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account", refunds can be given without the necessity of providing the Post Office with actual proof that a refund is required.

Finally, the Examiner's personal comments that he doesn't believe that the Post Office would likely implement such a dispute account is not relevant to patentability.

In view of the above, it is submitted that claims 1-21 particularly point out and distinctly claim the subject matter which the Applicant regards as the invention.

Claims 7-8, 16 and 20-21 stand rejected under 35 U.S.C. 102(e) as being anticipated by Whitehouse (US 6,005,945). This rejection is respectfully traversed.

As discussed in the last Office Action, Whitehouse discloses a postage metering system where postage funds are not maintained locally at a postage meter. Rather, a postage meter balance is maintained at a secure central computer 102. Whitehouse discusses the need for refunds (col. 24, line 53 to col. 25, line 18). However, Whitehouse describes that if a refund for a particular indicium is desired, the computer can determine if the indicium data is authentic and whether such indicium was previously used or is useable in the future. If the authentication and use checks are OK, a refund can be issued.

The procedure described in Whitehouse is completely different from the claimed invention. Whitehouse does not teach or suggest a dispute account that is indicative of the level of refund activity attributable to a postage meter, which dispute account is used to determine if a refund should be given.

Since independent claims 7, and 20 each recite the dispute account, it is submitted that they are each patentable over Whitehouse.

Further, claims 16 and 21 are patentable based on their dependence from claims 7 and 20 respectively.

Claims 1-6, 9, 11-14 and 17-19 stand rejected under 35 U.S.C. 103(a) as being unpatentable over EP '956. This rejection is respectfully traversed.

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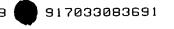
EP '956 does not teach or suggest the claimed dispute account. EP '956 only teaches a method for removing funds from a postage meter that is to be taken out of service. These funds would be refunded to the user of the postage meter. No dispute account is needed to determine a level of refund activity. If the funds are in the meter, they can be withdrawn.

Independent claims 1 and 17 each recite the dispute account and are considered patentable for the reasons discussed above. Further, claims 2-6, 11-14, and 18-19 are considered patentable based on their dependency from either claim 1 or claim 17.

The Examiner rejected claim 9 without rejection of independent claim 7 from which it depends. Regardless of this deficiency, claim 7 and claim 9 each recite the dispute account that is neither taught nor suggested by EP '956. Accordingly, claims 7 and 9 are each considered patentable over EP '956.

Claims 1-6, 9, 11-14 and 17-19 stand rejected under 35 U.S.C. 103 (a) as being unpatentable over Whitehouse. This rejection is respectfully traversed.

The discussions set forth above regarding the failure of Whitehouse to teach or suggest the claimed dispute account are applicable in connection with this rejection. Accordingly, it is submitted that the Examiner has failed to establish a prima facie case of obviousness for each of claims 1-6, 9, 11-14 and 17-19.



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In view of the foregoing amendments and remarks, it is respectfully submitted that the claims of this application are now in a condition for allowance and favorable action thereon is requested.

Respectfully submitted,

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